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Subject: Two articles on recent events related to Honolulu Transit and Mayors State of Transit Address

FYI – Two articles below that you may find of interest from today's news clips. You can view text from Mayor Hannemann's "State of Transit Address" at <http://www.kitv.com/money/21471019/detail.html>

Honolulu mayor buys \$10,000 in TV time for speech on rail transit

By: Sean Hao, Honolulu Advertiser

Tax Foundation blasts decision to spend \$10,000 to air speech

Honolulu Mayor Mufi Hannemann will deliver a "State of the Rail" address today to about 200 invited guests, and the city will pay \$10,000 for 30 minutes of the speech to be broadcast tonight on local TV.

The speech will be delivered at the Mission Memorial Auditorium on the civic center grounds at 1:30 p.m., and will be broadcast from 6:30 to 7 p.m. on KGMB9 and KHNL. KFVE will rebroadcast the speech on Friday from 9:30 to 10 p.m.

City spokesman Bill Brennan said the \$10,000 cost for broadcasting the speech is part of the city's public involvement effort. The total cost of the event wasn't immediately available.

The city has spent more than \$5.6 million since August 2005 on informing the public about Honolulu's planned \$5.5 billion rail project.

"The Honolulu Rail Transit Project is one of the most significant infrastructure projects in city history and will provide jobs and a boost to the state economy," Hannemann said in a statement yesterday.

"My administration is committed to keep the public informed about the project's progress, and now is an excellent time to let the public know what to expect in the coming months."

Lowell Kalapa, director of the Tax Foundation of Hawaii, said the \$10,000 expenditure was a waste of taxpayer money. "At this point, no matter which side (of the rail debate) you're on, why do you need to tell me more by spending money?" he said. "All you have to do is hold a news conference. It's a news item in itself. It's not like all the news reporters in town have ignored him and there is no news coverage of it."

The broadcast could rile some taxpayers who would rather see the money spent on more pressing social needs, Kalapa added.

"I would like to take \$1,000 and put it in the Food Bank," he said.

Most — about \$3 million — of the city's spending on its rail-related information campaign came since June 30, 2008, and included a ramped-up effort ahead of last November's vote on the project.

Voters approved the East Kapolei to Ala Moana rail project by a 51 percent to 46 percent margin. The city plans to start construction of the 20-mile elevated rail line in December.

The city has said its information campaign is part of a federally required public involvement effort.

The federal government is expected to contribute \$1.4 billion to \$1.7 billion of the Honolulu transit system's cost.

30-day rail delay a minor matter, Hannemann says

By: B.J. Reyes, Star Bulletin

While the expected December groundbreaking for the city's \$5.3 billion rail transit project is being pushed back by a month, Honolulu Mayor Mufi Hannemann says he does not see it as an issue.

"Come on, 30 days? We've been waiting 40 years for this, so to take another 30 days is minor," Hannemann told reporters yesterday after delivering his first "State of the Rail" address.

Hannemann's administration spent \$10,000 on the program at the Mission Memorial Auditorium to provide an update on the progress of the rail project.

Starting with a video depicting the mayor commuting into downtown from West Oahu by train, Hannemann outlined the history of proposed rail projects dating to the administration of Neal Blaisdell.

His address comes at a critical time for the project. The city is awaiting state and federal approval of a final environmental impact statement for the proposed 20-mile elevated rail route. Once that is complete, the city would need a federal "record of decision" before construction can begin.

"I'm prepared to basically give them a little more time," Hannemann said. "I think what's prudent is maybe another month to anyone that has to sign off in these closing minutes -- if you will -- of this project that we've come so far on in four years. "It's just my willingness to be flexible and compromise."

A prominent rail opponent said the mayor's speech was indicative of a potential hang-up in obtaining final approval for the environmental impact statement.

"I think, obviously, they're having trouble because the mayor said at least a month," Cliff Slater, founder of Stop Rail Now. "We think it'll be more than that." Slater noted that Hannemann boasted in his speech about how the city had completed the initial planning stages in just four years, versus five to 15 years.

"They've rushed this so fast," he said. "It is normally a slow process. They just missed some things along the way, and I think they may have to go back and do them -- fill in those holes."

Hannemann emphasized that extensive delays could cost the project money, with fierce competition at the national level for federal dollars and the potential raid of transit money by the state Legislature.

"There are some in the Legislature that would love to take this money away. There are some in the state administration that would love to take this money away," Hannemann said. "I think we've made a clear and convincing case why that money should stay where it is: to build a project that will create jobs."

The Legislature explored raiding the city's rapid transit fund, which is funded by a half-percent surcharge on the state general excise tax, last session.

State Sen. Gary Hooser (D, Niihau-Kauai), majority leader, said a raid is possible again as the state faces a growing budget deficit.

"I'm sure there are discussions that are going to go on, and every source of funding is going to be looked at closely," said Hooser.

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